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6. The Main Institute of Industrial Physics is governed by the Decree of 25 October 1948 on the formation of Main Industrial Scientific Research Institutes, by the Order of the Minister of Heavy Industry, dated 30 May 1949, on the formation of the Main Institute of Industrial Physics, and by the present statute.

7. The main institutes mentioned in items 1-6 will hereinafter be called "main institutes."

#### Article 2

The main institutes have legal status. The institutes have the right to use the round seal with the national emblem in the center and the name of the respective institute around it.

#### Article 3

1. The purpose of the main institutes is to conduct research to promote the development of industrial production in their specific fields.

2. The special tasks of the main institutes are as follows:

- a. To organize and conduct scientific research to create a theoretical and practical basis for new branches of production or new methods of production and work organization.
- b. To follow technological and scientific progress and give opinions thereon.
- c. To improve present industrial methods and increase their efficiency.
- d. To initiate new branches of production and assist in their organization.
- e. To make analytical reports and conduct technological and scientific research requested by the industry or by the Ministry of Heavy Industry.
- f. To train cadres of workers in fields not covered by educational institutions.
- g. To cooperate with advanced schools, other institutions, and individuals, and assign to them problems in their particular fields.
- h. To participate in group activities organized by other institutes, advanced school workshops, or other research centers to solve more complicated problems.
- i. To establish and maintain contacts with similar institutes and organizations abroad.
- j. To prepare technical specifications and information of a scientific and technical nature.
- k. To cooperate in the work of standardization.
- l. To prepare and publish books, periodicals, bulletins, reports, instructions, etc.
- m. To organize and conduct conferences, scientific meetings, courses, lectures, etc.

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3. The operations of each main institute are established in the yearly plan approved by the Ministry of Heavy Industry.

4. All projects for industrial enterprises not subject to the Minister of Heavy Industry, and projects for his agency which are not covered by the plan, or which require more than 200 man-hours, must be approved by the Minister of Heavy Industry.

#### Article 4

1. Special institutes may be created within the framework of each main institute.

2. Special institutes may be created and dissolved by the Minister of Heavy Industry.

### II. AUTHORITIES OF THE MAIN INSTITUTES

#### Article 5

The Minister of Heavy Industry has supreme authority over the main institutes.

#### Article 6

The board of directors and the scientific council are the chief authorities of each individual institute.

#### Article 7

1. The board of directors represents the main institute and directs its work in accordance with the guiding principle established by the scientific council and approved by the Ministry of Heavy Industry.

2. The board of directors is composed of the chief director, two scientific and technical directors, and one financial and administrative director, all subject to the chief director.

3. The board of directors is appointed and recalled by the Minister of Heavy Industry.

#### Article 8

The chief director manages the work of the main institute.

#### Article 9

The scientific and technical directors perform functions delegated to them by the chief director.

#### Article 10

The financial and administrative director manages the financial and administrative operations of the main institute and the special institutes.

#### Article 11

1. The scientific council is composed of at least eight members, appointed for a period of 3 years and chosen from among representatives of industry and science, organizations of workers in related institutions, and outstanding experts in various fields.

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2. The members of the scientific council are appointed and recalled by the Minister of Heavy Industry.

3. The board of directors and other employees of the main institute cannot be members of the scientific council but can attend the meetings in an advisory capacity.

#### Article 12

The scientific council will participate in outlining the general work plan of the main institute and will supervise its operations; specifically it will:

1. Evaluate, approve, or reject the proposals of industry, board of directors, or any of its own members. These proposals and the general plan of operations, after being approved by the Ministry of Heavy Industry, will constitute the binding principles for the board of directors.

2. Pass judgment on the budget, operations, and work program of the main institute.

3. Initiate scientific research projects.

4. Pass judgment on matters submitted by the chief director.

5. Submit to the Ministry of Heavy Industry, with the approval of the board of directors, recommendations for the formation of special institutes within the framework of the main institute.

#### Article 13

1. Meetings of the scientific council are called by its chairman.

2. The chairman must call at least two meetings during the calendar year.

3. In addition to the stipulation in the preceding item, the chairman must call a meeting of the scientific council:

a. At the request of the Minister of Heavy Industry.

b. At the suggestion of the chief director of the main institute.

c. On the recommendation of at least one fourth of the institute's members.

#### Article 14

Resolutions of the scientific council are not valid unless the meeting is attended by the chairman or his substitute, and at least one half of the total number of members. Approvals require a majority vote. In case of a tie the chairman has the deciding vote.

#### Article 15

Members of the scientific council are paid for attendance at meetings according to rates established by the Minister of Heavy Industry.

#### Article 16

Participation in the scientific council does not preclude working on special projects, or expressing individual opinion on special assignments of the main institute.

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## III. SPECIAL INSTITUTES

Article 17

1. Special institutes are autonomous units in the field of scientific research.
2. Special institutes are headed by a director and a scientific committee.
3. The specific organization and sphere of activities of special institutes are governed by regulations established by the Minister of Heavy Industry.

Article 18

The Minister of Heavy Industry appoints and recalls the directors and members of the scientific committees of special institutes.

## IV. PRINCIPLES OF FISCAL MANAGEMENT

Article 19

1. The main institutes have the use and management of the immovables, and ownership of the movables officially assigned to them by the State Treasury.
2. The main institutes can acquire immovables in the name of the State Treasury and use them for their own purpose.
3. The main institutes can acquire and sell movables and incur other obligations.
4. The State Treasury is responsible for the obligations of the main institutes, according to principles established by binding regulations, up to an amount equal to that of the property used and managed by the main institutes, regardless of the main institutes' responsibility in the matter.

Article 20

Immovable property of the State Treasury used and managed by the main institutes is shown in the assets of the institute as its own property.

Article 21

1. The budgets of the main institutes are contained in the state budget under group A (Administration).
2. Income of the main institutes is derived from the following sources:
  - a. Payment for work not foreseen in the plan, except when such work is incorporated into the plan by a special decision of the Minister of Heavy Industry.
  - b. Donations and bequests.
  - c. Income from property owned.
  - d. Income from the sale of publications.
  - e. Other sources.

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Article 22

The budget of the main institutes covers the same period as the budget of the state administration.

Article 23

Each main institute will balance its books and prepare a financial statement at the close of each budgetary period to be submitted to the Minister of Heavy Industry within the time limit prescribed by him.

Article 24

The main institutes set up their accounting system and prepare their preliminary budget according to principles established by the Minister of Heavy Industry.

Article 25

Liabilities of each main institute, payment vouchers, drafts, checks, and receipts for income from property must be signed by two members of the board of directors.

This authority may be delegated to employees of the main institute chosen by the board of directors.

V. LIQUIDATION OF THE MAIN INSTITUTES

Article 26

Liquidation of the main institutes follows the procedure mentioned in Article 12 of the Decree of 25 October 1948 concerning the formation of Main Industrial Scientific Research Institutes.

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